



Related Medlearn Matters Article #: MM3897

Date Posted: August 17, 2005

Related CR #: 3897

### *Nature and Effect of Assignment on Carrier Claims*

#### Key Words

MM3897, CR3897, Claim, 30.3.2, Payment, DMERC

#### Provider Types Affected

Physicians and suppliers who are Medicare participating physicians/suppliers and non-participating physicians/suppliers who are required by law to accept assignment (direct payment) from Medicare carriers, including Durable Medical Equipment Regional Carriers (DMERCs) for covered Part B services, equipment, and supplies.

#### Key Points

- The effective date of the instruction is January 1, 2005.
- Effective January 1, 2005, the beneficiary is not required to assign the claim to the physician or supplier in order for an assignment to be effective in "mandatory assignment" situations.
- Physicians and suppliers who accept assignment from Medicare, by choice or by law, may not attempt to collect more than the appropriate Medicare deductible and coinsurance amounts from the beneficiary, his/her other insurance, or anyone else.
- If the physician/supplier is not satisfied with the amount allowed by Medicare, the provider/supplier may appeal the contractor's initial determination.
- If an enrollee has private insurance in addition to Medicare, the physician/supplier is in violation of his/her assignment if he/she collects from the enrollee or the private insurance an amount that, when added to the Medicare benefit, exceeds the Medicare allowed amount.
- The beneficiary must continue to authorize the release of medical or other information necessary to process the claim.
- A non-participating physician/supplier who accepts assignment for some Medicare covered services is not prohibited from billing the patient for services for which he/she does not accept assignment.
- The non-participating physician/supplier is not precluded from billing a patient for services that are not covered by Medicare.

- Physicians/suppliers may not attempt to “fragment” their bills.
- “Fragmenting” is defined as accepting assignment for some services and then billing the enrollee for other services performed at the same place and on the same occasion.
- An exception to this is, in situations where assignment is mandatory (i.e., where a physician/supplier must accept assignment for certain services as a condition for any payment or for full payment to be made, such as clinical diagnostic laboratory tests, physician assistants), he/she may accept assignment for those conditional services without accepting assignment for other services furnished by him/her for the same enrollee at the same place and on the same occasion.

### Important Links

<http://www.cms.hhs.gov/medlearn/matters/mmarticles/2005/MM3897.pdf>

[http://www.cms.hhs.gov/manuals/pm\\_trans/R643CP.pdf](http://www.cms.hhs.gov/manuals/pm_trans/R643CP.pdf)